
Movin' On

Volume 3 Issue 1

Advice and tips for Claim Investigating Officers

October 2003

From the Chief

I hope you will find the material contained in this newsletter useful when you are assisting claimants and doing investigations.

I need your feedback to know if we are hitting the mark. Please tell me if the newsletter helped you, what other subjects would benefit you and how we can improve the newsletter. Please send your comments to shubbard@fincen.uscg.mil or kwhiteman@fincen.uscg.mil.

FINCEN claim settlement officers are here to answer questions and help resolve problems. Their names, email addresses, and telephone numbers appear at the end of this newsletter. Feel free to contact them at any time.

Susan Hubbard

Hail and farewell...

We bid farewell to Robin Smithling, our lead claim settlement officer, in on August 22nd. She definitely got a better offer than the Coast Guard could give her – she got married and moved to Minnesota!

We hailed Kathleen Whiteman on September 22nd as our new lead claim settlement officer. Kathy has worked for the Army at Ft. Monroe for 20 years and has 28 years of household goods claim experience. She brings with her a wealth of knowledge. Please be patient with her, as she is going to have to learn all the unique things about the Coast Guard claim processing.

The clock is ticking...



You may get a claimant, who has waited two years to file his or her claim, come rushing into your office

for assistance. Sometimes, it's right before they are due to move again. Don't refuse to accept their claim. However, you should counsel them on a couple points:

1. Look through the submission package. Are there pictures and repair or replacement estimates? If the claim is poorly documented, the likelihood of payment is slim.
2. Ask when will the goods be moved again. If the goods are moved before an inspection can be done, it will be impossible to determine

what is old damage and what is new damage. If there aren't detailed photographs in the file, the likelihood of payment is slim.

Get as much information and documentation from the claimant. Then, send the package to the Claims Section for adjudication. FINCEN claim settlement officers will do what they can with it.

Advance emergency payments...

Some moves are real disasters – the entire shipment is missing, destroyed, or damage is so extensive that the claimant doesn't have the bare necessities to set up his or her household. In these instances, an advance emergency payment may be made to the claimant.

The Claims Section handles these situations on a case-by-case basis. Claim settlement officers rely on the IO to help determine if an advance emergency payment is appropriate. In every case, the claimant will be required to sign an agreement that they will reimburse the Coast Guard if the final claim settlement amount is less than the advance emergency payment received.



**Useful web sites
listed on
Page 4 of this
newsletter.**

Movin' On

If you encounter this situation, call 757-366-6504 and a claim settlement officer will walk you through the process.

Changes to our web page...

We revised the Investigation Officer's Guide for Household Goods Claims and Instructions for Completion and Submission of DD Form 1840, Joint Statement of Loss or Damage at Delivery, and DD Form 1840R, Notice of Loss or Damage. We added information on FRV claim filing procedures and instructions how to get carrier information from the Military Traffic Management Command's web site. All these documents can be downloaded from our web page at <http://www.fincen.uscg.mil/hhq.htm>.

Last-minute submission of a DD Form 1840R...



If a claimant brings you a DD Form 1840R on the 75th day after delivery, timely notice can still be made to the carrier by faxing in the form. Many times, the carrier will list a fax number on the DD Form 1840. But if there isn't a number there, follow the instructions starting on page 6 of this newsletter to find the carrier's fax number. Save the fax transmission report for your files. Follow up by submitting the form by traceable means. Record your actions in your dispatch log.

Submitting a second DD Form 1840R...

If you've already dispatched the DD Form 1840R and the claimant discovers further loss or damage, a second 1840R should be dispatched to the carrier. It should be clearly marked that it is a second and separate submission. Submit it by traceable means and log it in your dispatch log.

Note: Submit it even if it's past the 75-day deadline for timely notice.

Adding it up...



Frequently, we get claim packages in the office where the amount claimed on the DD Form 1842 doesn't add up to the total amount claimed on the DD Form(s) 1844.

Please take an extra minute to be sure that the totals add up. If they don't, ask the claimant for clarification.

Damage to more than one shipment...

Claimants, especially ones returning from OCONUS assignments, often have more than one shipment. If this is the case and the claimant has missing or damaged items from different shipments, separate claims must be filed.

It's the claimant's responsibility to insure that the paperwork isn't commingled.

Full replacement value (FRV) protection...

More and more, Coast Guard members arrange to have their property released to the carrier with full replacement value protection. But few of them really understand what that protection means or what they need to do when they have loss or damage.

See pages 5 and 6 of this newsletter for some questions and answers on FRV, including claim-filing rules.

Claim statistics...

Our goal is to process 80 percent of all claims in 10 days or less. We receive large numbers of claims in September, October, November and December each year – but we still expect to maintain our goal.

Our statistics for FY 2003 are:

- Processed payment to claimants in an average of 9 days.

Movin' On

- Paid more than \$533,000 to claimants.
 - Collected more than \$300,000 from carriers.
- Since the function transferred to FINCEN in 1998, we've paid Coast Guard claimants more than \$3.7M.

Claims personnel conducted training for CIOs at the Finance Center in February 2003 and we're planning another session for February 2004. Any command willing to host a regional workshop should send an email to shubbard@fincen.uscg.mil. Commands sending personnel for training will be responsible for funding travel and per diem costs.

CIO training...

Household Goods Claims Points of Contact

- YN1 Clevon Daye, Administrative Specialist, 757-366-6504; email: cdaye@fincen.uscg.mil
 - Kathleen Whiteman, Lead Claim Settlement Officer, 757-366-6505; e-mail: kwhiteman@fincen.uscg.mil
 - Gail Stephenson, Claim Settlement Officer, 757-366-6507; email: gstephenson@fincen.uscg.mil
 - Phyllis Howell, Claim Settlement Officer, 757-366-6515; email: phowell@fincen.uscg.mil
 - Susan Hubbard, CCP, Chief, Claims Section, 757-523-6947; e-mail: shubbard@fincen.uscg.mil
- FAX 757-366-6541

Mail claim packages to:

Household Goods Claims & Carrier Recoveries
U. S. Coast Guard Finance Center
P. O. Box 4121
Chesapeake VA 23327-4121

Visit us on the web at <http://www.fincen.uscg.mil/hhg.htm>

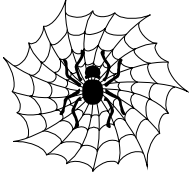
Movin' On

Here are web sites good for research on the value of items

For china replacements

<http://www.replacements.com/>

<http://www.chinapatterns.com/company.html>



Use this search engine to find almost anything

<http://www.google.com/>

Need information on shipping a POV – go to this site and download information on shipping locations and the POV shipping guide

<http://www.mtmc.army.mil> - click on Personal Property tab – then click on POV

Shippers can check the status of their POV shipment at the following site

www.whereismypov.com

Nearly every retail store has a web site for mail orders – here are just a few examples

Bed, Bath and Beyond - http://www.bedbathandbeyond.com/default.asp?order_num=-1&

Linens and Things - <http://www.lnt.com/>

Marshall Fields (also Mervyn and Target) -

http://www.target.com/gp/homepage.html/ref=nav_t_mf/602-1287552-8615857?node=1038748

Walmart - <http://www.walmart.com/>

K-Mart - <http://www.kmart.com/home/index.jsp>

Mikasa - <http://www.mikasa.com/webapp/commerce/command/ExecMacro/home.d2w/report>

Movin' On

Insurance Decision

Full Replacement Value (FRV) Protection – Rules of the Road

What's the maximum statutory amount that the government can pay on a single claim?

The maximum statutory amount the government can pay on a single claim is \$40,000. Despite this amount, there are maximum amounts allowable for specific types and categories of property. For example, if you lost a stereo system in a move, the maximum amount the government may pay is \$1,000 per item and \$3,500 per claim.

Knowing there is a maximum amount for a claim and additional limitations on specific items and categories of property, service members must decide whether they need additional protection. Private insurance is an option and is the only additional protection available for overseas shipment, including Hawaii. The service member must arrange for that coverage; the transportation counselor cannot do it for you.

What types of shipments qualify for FRV protection (also known as Option 2 insurance)?

FRV protection is available for shipments that begin and end in the continental United States or Alaska. It is not available for household goods/unaccompanied baggage to/from overseas locations (including Hawaii) or during periods of nontemporary storage and local moves.

When and where do I request FRV?

You must request FRV at the time of your initial counseling session at the transportation office. After-the-fact requests will not be accepted. Option 2 coverage must appear on the DD Form 1299 and on the GBL. The counselor will likely ask you to sign and date a separate election form. You will bear the additional cost of this protection. Minimum coverage is \$21,000 or \$3.50 times the net weight of the shipment - whichever is the greater.

What does FRV cost?

The charge is \$.85 per \$100 of the stated valuation. Example: For a 10,000-pound shipment, FRV protection must be at least \$35,000. Total insurance cost would be \$297.50. The government would pay \$80 of this cost, leaving \$217.50 additional cost to the service member. The transportation office counselor can give you an estimate of the your out-of-pocket cost at the time of counseling. You won't know the actual cost of FRV until after your shipment has been picked up and weighed.

What does FRV coverage entitle me to?

FRV entitles you to the full, undepreciated value of lost or destroyed items. For items that are damaged, the carrier has the option of repairing them or making a monetary settlement for repair costs.

As in every other instance, only items that have been lost or destroyed in transit qualify to be replaced.

Must I still give timely notice of loss or damage?

Yes! You are still required to make timely notice within 70 days of the delivery date. If you fail to do so, a claim isn't likely to be paid by the carrier or the Coast Guard.

Movin' On

Where do I file my claim?

[You must first file your claim with the carrier.](#) If you submit your claim to the Coast Guard first, claim settlement personnel will deny payment of it and, as a courtesy, forward your claim to the carrier for direct settlement with you.

The Coast Guard will accept a claim only if the carrier denies the claim, if delay would cause hardship, or if the carrier fails to make a satisfactory settlement within 60 days.

What if I requested FRV, but the transportation officer failed to show the election on the GBL? Did I get FRV protection?

In cases where the transportation office failed to properly annotate the GBL with FRV, the carrier can't be held liable for the coverage. If you have evidence to show that you requested the coverage, then file your claim directly with the Coast Guard. Claim settlement personnel will adjudicate your claim using FRV rules, deduct the amount you would have paid for FRV coverage from your settlement, and then pay you the remainder.

If you have questions concerning claims under FRV and we haven't answered them, please call 757-366-6505 and speak with our lead claim settlement officer.